

**Washington State Auditor's Office**  
**Accountability Audit Report**

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**Jefferson County Public Transportation  
Benefit Area  
(Jefferson Transit)**

Audit Period  
January 1, 2002 through December 31, 2003

Report No. 67585

Issue Date  
**December 3, 2004**



Washington  
***State Auditor***  
Brian Sonntag

# Audit Summary

**Jefferson Transit  
Jefferson County  
January 1, 2002 through December 31, 2003**

## ***ABOUT THE AUDIT***

This report contains the results of our independent accountability audit of the Jefferson Transit for the period January 1, 2002, through December 31, 2003.

We performed audit procedures to determine whether the Transit complied with state laws and regulations and its own policies and procedures. Our work focused on specific areas that have potential for abuse and misuse of public resources.

## ***RESULTS***

The Transit complied with state laws and regulations and its own policies and procedures in the areas we examined. Internal controls were adequate to safeguard public assets. We noted certain issues that we communicated to Transit management. We appreciate the Transit's commitment to resolving the issues.

## ***RELATED REPORTS***

Our opinion on the Transit's financial statements is provided in a separate report, which includes the Transit's financial statements.

## ***CLOSING REMARKS***

We thank Transit officials and personnel for their assistance and cooperation during the audit.

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Jefferson County  
January 1, 2002 through December 31, 2003**

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# Description of the Transit

## Jefferson Transit Jefferson County January 1, 2002 through December 31, 2003

### ***ABOUT THE TRANSIT***

The Board of Directors governs Jefferson Transit. The Board consists of two City Council Members from Port Townsend and three Jefferson County Commissioners. The Board appoints a General Manager to oversee Transit operations. The Transit's 55 employees provide local bus service, a dial-a-ride program for customers who are unable to use conventional bus route service, a job access program, vanpool, and charter transportation services in Jefferson County.

The Transit provides fixed route bus service along routes throughout Jefferson County including the west end of the County and the City of Port Townsend. The Transit carried approximately 270,000 and 260,000 passengers in 2003 and 2002, respectively. Operating expenses were approximately \$3.1 million and \$2.7 million in 2003 and 2002, respectively.

### ***AUDIT HISTORY***

We audit the Transit every two years. In the past 12 years, the Transit has had no audit findings. Management has been responsive to prior audit recommendations. Audit concerns are often discussed, addressed and resolved before completion of our audit. We believe this reflects the Transit's assertive style in maintaining a strong financial system with adequate internal controls.

### ***ELECTED OFFICIALS***

These officials served during the audit period:

Board of Directors:

County Commissioners:

Glen Huntingford  
Dan Titterness  
Richard Wojt (term ended December 2002)  
Wendi Wrinkle (term began January 2003,  
resigned June 2003)  
Judy Mackie (appointed June 2003, term  
ended November 2003)  
Pat Rodgers (elected November 2003)  
Geoff Masci (term ended January 2002)  
Freida Fenn (term began February 2002)  
Catharine Robinson

City Council Members:

### ***APPOINTED OFFICIALS***

General Manager  
Assistant General Manager/Finance and  
Administration

Dave Turissini  
Melanie Bozak

**ADDRESS**

Transit

1615 Sims Way  
Port Townsend, WA 98368  
(360) 385-3020

# Audit Areas Examined

## Jefferson Transit Jefferson County January 1, 2002 through December 31, 2003

In keeping with general auditing practices, we do not examine every portion of the Jefferson Transit's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the Transit were examined during this audit period:

### **ACCOUNTABILITY FOR PUBLIC RESOURCES**

We evaluated the Transit's accountability in the following areas:

- Cash receipting
- Petty cash, change and revolving accounts
- Payroll
- Property and equipment
- Purchase of goods and services
- Financial statement preparation and journal entries

### **LEGAL COMPLIANCE**

We audited the following areas for compliance with certain applicable state and local laws and regulations:

- Timely deposit of public funds
- Risk management
- Ethics/conflict of interest laws
- Open Public Meetings Act
- Allowable expenditures
- Credit card use
- Travel expenses
- Advance travel payments and reimbursements
- Competitive bid law compliance

### **FINANCIAL AREAS**

Our opinion on the Transit's financial statements is provided in a separate report. That report includes the Transit's financial statements and other required financial information. We examined the financial activity and balances of the Transit including:

- Cash and investments
- Revenues
- Expenses
- Overall presentation of the financial statements